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###### **THE NEW YORK CITY COUNCIL**

**TANISHA EDWARDS, ESQ., CHIEF FINANCIAL OFFICER AND DEPUTY CHIEF OF STAFF TO THE SPEAKER**

**RICHARD LEE, DIRECTOR, FINANCE DIVISION**

**COMMITTEE ON FINANCE**

**HON. JUSTIN BRANNAN, CHAIR**

**April 19, 2023**

**INT. NO. 498:** By Council Members Powers, De La Rosa, Restler, Abreu, Yeger, Hanif, Brewer, Cabán, Nurse, Avilés, Won, Rivera, Gutiérrez, Krishnan, Louis, Marte, Schulman, Bottcher, Ossé, Sanchez, Velázquez, Brannan, Barron, Hudson, Ayala, Farías, Riley, Joseph, Narcisse, Brooks-Powers, Williams, Ung, Menin, Stevens, and Richardson Jordan (in conjunction with the Brooklyn Borough President) (by request of the Manhattan Borough President)

**TITLE:** A Local Law to amend the New York city charter, in relation to reporting on moneys on deposit

**CHARTER:** Amends §1523 of the Charter

**INT. NO. 499-A:** By Council Members Powers, Restler, De La Rosa, Abreu, Hanif, Brewer, Cabán, Nurse, Avilés, Won, Rivera, Gutiérrez, Krishnan, Louis, Marte, Schulman, Bottcher, Ossé, Sanchez, Velázquez, Brannan, Barron, Hudson, Ayala, Farías, Riley, Joseph, Narcisse, Brooks-Powers, Williams, Ung, Menin, Stevens, and Richardson Jordan (in conjunction with the Brooklyn Borough President) (by request of the Manhattan Borough President)

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to the reporting on non-depository city financial services

**ADMINISTRATIVE CODE:** Adds §3-119.6 to the Administrative Code

**INT. NO. 999:** By Council Members Powers, De La Rosa, Restler, Abreu, Richardson Jordan, Farías, Marte, Hudson, Hanif, and Ossé

**TITLE:** A Local Law in relation to the establishment of a task force to study options and make recommendations for a plan to implement a municipal public bank

**RES. NO. 203-A:** By Council Members Powers, Abreu, De La Rosa, Restler, Hudson, Cabán, Nurse, Avilés, Menin, Gutiérrez, Won, Riley, Rivera, Krishnan, Louis, Marte, Schulman, Bottcher, Williams, Ossé, Sanchez, Velázquez, Farías, Brannan, Ayala, Barron, Hanif, Joseph, Narcisse, Brewer, Brooks-Powers, Ung, Stevens, and Richardson Jordan (in conjunction with the Brooklyn Borough President) (by request of the Manhattan Borough President)

**TITLE:** Resolution calling upon the State Legislature to pass, and the Governor to sign, A.3352/S.1754, which would establish the New York Public Banking Act

1. **Introduction**

On April 19, 2023, the Committee on Finance, chaired by Council Member Justin Brannan, will hold a hearing on Int. No. 498, Int. No. 499-A, Int. No. 999, and Res. No. 203-A. These bills would require reporting on the City’s use of depository and non-depository financial services and support the passage of State legislation that would authorize the establishment of a public bank in New York City. This is the first hearing on Int. No. 999, while Int. Nos. 498, 499-A, and Res. No. 203-A were heard in the prior Council session. Those invited to testify include representatives from the Department of Finance (DOF), the Office of Management and Budget (OMB), the Comptroller, and members of the public.

1. **The City's Treasury Function**

New York City ended fiscal year 2022 with cash and cash equivalent receipts totaling more than $122 billion.[[1]](#footnote-2) The City’s primary source of cash is the collection of local municipal taxes covering real property, real estate sales, mortgage activity, commercial real estate rental, business/corporate activity, and cigarette sales. Moreover, the State collects payments on behalf of the City for several other taxes – including on personal income, motor vehicle registration, beer and liquor, retail sales, and purchase of personal property – and then turns it over to the City once collected. The City also accrues cash in the form of federal and State aid, plus a system of fees for select City services, and fines from enforcement of local laws. Separate and apart from these revenue sources, the City has authority to issue municipal bonds to finance its capital program as well.[[2]](#footnote-3)

1. *Cash Management*

The City’s cashflow progression begins at DOF, the City’s chief payment collection agency, which also houses the Treasury Division.[[3]](#footnote-4) After collecting the various sources of the City’s cash, DOF makes deposits into a vast network of bank accounts, from which the City draws upon to cover operating expenses and interest payments on the City’s municipal bonds. A portion of the cash goes to the City’s cash reserve account, allocated by the Comptroller into non-depository investments until needed. Proceeds from the City’s municipal bond offerings flow through OMB, which acts as an intermediary in dispersing cash to agencies for capital projects. As part of OMB’s mandate to create and negotiate a budget each year, the agency also tracks the City’s cash collections and reports on collection performance against goals in the Financial Plan.

The City must pay for many of these services. From the point of cash collection to disbursement, the City expenses a pool of fees and charges for services related to digital payment infrastructure, cash deposits and clearing, funds transfers, and cash withdrawals. Additionally, expenses accrue for services related to the issuance of municipal debt, such as underwriting and brokerage fees. The City also pays for advice from parties not directly involved with the transactions including financial advisors and bond counsels. Conversely, the City earns interest on some of its cash and cash equivalent holdings, such as time deposits and short-term US Treasury securities.

1. *Variability of Cash Balances*

The City’s average daily cash balance fluctuates according to the cyclical nature of tax due dates and the pattern of disbursement of State and Federal aid. The first and third quarters of the fiscal year tend to equate to higher cash balances for the City as these quarters host property tax payment deadlines for all the City’s properties, including the largest ones. As a pre-pandemic example, the average daily cash balance for the first and third quarters of Fiscal 2019 totaled $9.0 billion and $8.2 billion respectively, compared with $5.1 billion in the second quarter and $7.9 billion in the fourth.[[4]](#footnote-5) The lowest daily balance in Fiscal 2019 was $2.12 billion on December 19, 2019 and the highest was $12.1 billion on January 9, 2020.[[5]](#footnote-6)

Economic conditions also influence cash balances. The daily cash balance averaged roughly $7.5 billion in both Fiscal 2019, but just $6.3 billion for the Fiscal 2020, the result of severe pandemic-induced financial impacts on taxpayers leading to poor tax collections.[[6]](#footnote-7) So far, in Fiscal 2023, the daily cash balance averaged just over $9.5 billion in the first quarter, and $6.5 billion in the second.[[7]](#footnote-8)

1. *Depository Banks*

State law provides that “[t]he governing board of every local government shall designate one or more banks or trust companies for the deposit of public funds, the disposition of which is not otherwise provided for by law.”[[8]](#footnote-9) In New York City, that function is carried out by the Banking Commission.

The Banking Commission consists of the Mayor, who serves as Chair, the Comptroller, and the DOF Commissioner.[[9]](#footnote-10) DOF is responsible for performing the administrative duties of the Banking Commission.[[10]](#footnote-11) The Banking Commission is responsible for determining the eligibility of banks applying for designation as City depository banks, and recommending to the City Council the interest rate to charge for delinquent property tax and water/sewer payments, along with the discount rate for early payment.[[11]](#footnote-12) The Banking Commission also administers the City's Banking Development District Program (“BDD”), which encourages and helps banks open branches in traditionally underserved neighborhoods. Many BDDs also serve as depositories for the City’s money.[[12]](#footnote-13)

In order to become a designated depository, the Charter requires a bank to pay the City an interest rate equivalent to that paid to private parties and file a certification with the Banking Commission and City Clerk that the bank’s Board of Directors has established and will adhere to a policy of equal opportunity employment, and anti-discrimination.[[13]](#footnote-14)

The rules of the Banking Commission provide that every bank in which City money is permitted to be deposited shall be designated by the Banking Commission by majority vote, by written notice to the Commissioner of Finance, and that such designation shall be for no longer than two years.[[14]](#footnote-15) The Banking Commission’s rules provide a framework to ensure that handling of the City’s money is limited to financially responsible banks that can safeguard the City’s money and provide the City with the best available interest rate.[[15]](#footnote-16)

The Banking Commission may make exceptions to the designation criteria in cases where the deposit of City money in such bank is necessary to obtain essential services that are not reasonably obtainable elsewhere. Additionally, a bank meeting all the requirements does not guarantee designation. At its discretion the Banking Commission can choose to not designate a bank, despite meeting all other necessary criteria, if the bank either closed more branches than it opened in the prior calendar year or last three calendar years, and 26% to 66% of such closures were located in lower income neighborhoods, or it opened more branches than it closed in the prior calendar year or last three years, and fewer than 25% of such openings were located in lower income areas.[[16]](#footnote-17)

To maintain its designated status, a bank must submit a new application to the Banking Commission in the second year following the year of its previous designation. Such a bank must submit this new application by March 1, immediately preceding the Commission's annual designation meeting in May of such second year.[[17]](#footnote-18)

The Banking Commission does not select the banks actually used by the City; rather, the selection happens by City agencies. Once the Banking Commission approves a bank as a designated depository, individual City agencies must apply to the Banking Commission for approval to open an account at one of the designated banks.

As of the date of this writing, the Finance Committee is unable to obtain the criteria used by the Banking Commission in selecting the banks that currently hold City funds, nor is it able to determine the total number of designated depositories that actually hold City funds.

The Banking Commission is subject to the State Open Meetings Law, including the requirement that the time and place of any meeting scheduled at least one week prior thereto must be given or electronically transmitted to the news media and be conspicuously posted in one or more designated public locations at least seventy-two hours before such meeting.[[18]](#footnote-19) The Banking Commission must additionally notify the Council within 30 days of either receiving a bank’s application for designation or re-designation or upon denying a request for designation.[[19]](#footnote-20)

To protect the City, banks are required to pledge collateral to the City in the form of certain high-quality securities specified by the General Municipal Law and the Department of Finance. At the end of each day a bank must total up all the City’s deposits, subtract from that total the Federal Deposit Insurance Corporation (FDIC) limit for municipal deposits, and designate the assets pledged to cover uninsured portion of the City’s deposits.[[20]](#footnote-21)

1. *Non-Depository Investments*

State law authorizes the City’s Comptroller to “invest moneys not required for immediate expenditure” in certain types of largely short-term, low-risk securities producing small but consistent returns, some classes of which are subject to restrictions.[[21]](#footnote-22) The table below details the Comptroller’s recent proprietary investment allocation:

|  |  |  |  |
| --- | --- | --- | --- |
| **FY22 Cash and Cash Equivalents** |  |  |  |
| *(Dollars in Thousands)* |  | Activity Type |
|  |  | Governmental | Business |
| **Restricted cash and equivalents:** |  |  |  |
| Cash |  | 18,617  | 17,629  |
| Cash Equivalents |  | 5,535,546  | 0  |
| Restated Cash Equivalents |  | 0  | 0  |
| Total restricted cash and equivalents |  | 5,554,163  | 17,629  |
| **Unrestricted cash and cash equivalents** |  |  |  |
| Cash |  | 3,061,771  | 49,476  |
| Cash Equivalents |  | 8,364,286  | 2,180  |
| Total unrestricted cash and cash equivalents | 11,426,057  | 51,656  |
| Total cash and cash equivalents |  | $16,980,220  | $69,285  |
| *\*Source: NYC Comprehensive Annual Financial Report for Fiscal 2022. p. 100* |

1. *Third-party Financial Services*

The City utilizes various third-party financial services providers for products or services that require special expertise or that would provide greater efficiency than could be achieved in-house to achieve the City's strategic objectives. DOF procures financial products and services related to payment processing, banking, and debt collection.[[22]](#footnote-23) For example: in June 2022, DOF published a notice of intent to enter into a contract agreement with Citibank, N.A. “for the provision of Central Treasury Banking services”. Included in such notice was “These services are integral for the banking services for the City of New York Central Treasury which include: cash management of the over $120 billion revenue stream, vendor payments, distribution and maintenance of bond payments (and therefor the City’s Bond Rating), and City employee transaction (payroll and worker’s compensation) processing services.”[[23]](#footnote-24) In May 2022, DOF published to the City Record notice of intent to enter into negotiations for banking services to the Department of Education and other agencies, as “[t]here is a limited number of banks available and able to perform the work.”[[24]](#footnote-25) The Office of the Comptroller is not only charged with reviewing other agencies procurement activities as part of its contract registration and audit responsibilities, but also has itself recently placed solicitation in the City Record for agent services for City General Obligation Bonds. [[25]](#footnote-26) [[26]](#footnote-27)

While the City contracts for a range of financial services related to the issuance of municipal debt, such expenses are especially hard to track because they are often taken from bond proceeds rather than reflected in registered contracts. Examples of such fees typically include underwriter services, financial advisory services, bond counsel, trustee services and trustee counsel, financial printing, bookbinding, bond rating services, issuer expenses, and a mandatory State bond-issuance fee on certain debt sales.[[27]](#footnote-28)

1. *Opaqueness of Financial Terms*

While the City discloses the dollar amounts of many of its financial services contracts, the terms the City receives on its depository accounts and under which it receives non-depository investments and third-party financial services are largely unreported to the Council or the public. That the Banking Commission is required to only designate depository banks that would offer the City equal interest as other private parties, does not by itself ensure that the City is getting the best possible deal on its deposits. Though the Comptroller, as the City’s chief fiscal officer, serves as a fiduciary of City funds when he or she directs non-depository investments, the Comptroller is not subject to any more specific standards.[[28]](#footnote-29) State law requirements for competitive and “best value” bidding on contracts, along with the City’s Procurement Policy Board rules and Comptroller oversight help to reassure taxpayers that municipal purchasing of services, including financial services, are not wasteful.[[29]](#footnote-30) However, the Council is unable to inform itself or provide any meaningful oversight of these activities because of the reporting deficiencies.

The absence of robust reporting on these arrangements is in contrast to robust quarterly reporting on the City’s pensions. For example, the New York City Employees’ Retirement System (NYCERS) quarterly report includes all the top-line basic info on the pension fund, including the number of active employees, portfolio allocation, asset performance and basic returns analysis, and further includes a breakdown of the investment fees incurred in the reporting period, disaggregated by asset class.[[30]](#footnote-31) At the hearing, the Council hopes to learn whether similar reporting on the City’s use of depository and non-depository services is feasible, as well.

1. **Would a Public Bank Help?**

The City relies on the types of financial services arrangements described above in part because it does not have the legal authority to deposit its surplus cash in a bank under its direct control, or to invest its funds outside of State law limitations on such investments.[[31]](#footnote-32) Moreover, the City does not currently have the internal capacity to self-direct some of its critical financial activities like bond issuance. These opaque arrangements invite the question of whether the City is getting a good deal as a customer for these critical financial services, or if other approaches or arrangements could result in better outcomes. Recent turmoil in the banking sector of bank failures and subsequent federal receivership invites its own questions as to the security of City assets on deposit in private banks. An alternative model proposed to better serve the City’s interest is if the City had authority to charter a public bank to service its own financial needs while also leveraging its surplus funds to support various social benefits.

1. *Public Banking and the Bank of North Dakota*

Public banking is far from a new idea. During pre-revolutionary times, the only banks in what later became the United States of America were public banks. Colonial governments legislated the printing of money and distributed a portion of that money to public entities known as land banks for providing mortgages and other loans, subject to uniform interest rates set by those legislatures.[[32]](#footnote-33) Private banks did not exist in America until 1781 and, through the 19th century, were continually required to prove to their respective State legislatures that they served some public purpose.[[33]](#footnote-34)

The most prominent example of a public bank is the Bank of North Dakota (BND), a public bank charted by the North Dakota state legislature in 1918 to “promote agriculture, commerce, and industry”, and “be helpful to and assist in the development of… financial institutions… within the State.”[[34]](#footnote-35) Formed partially in response to Minneapolis and Chicago banks charging high interest rates on agricultural loans in North Dakota, a non-partisan political movement gained control of the North Dakota Governor’s office and legislature in 1918 on a platform that included state ownership and control of marketing and credit agencies. Subsequently, North Dakota founded the bank with a $2 million appropriation.[[35]](#footnote-36)

Today, North Dakota deposits all state tax and fee revenues collected by its state treasurer into BND by default, absent specific authority for outside investment.[[36]](#footnote-37) Most of the remainder of the bank’s deposits come from North Dakota city and county governmental entities and North Dakota residents.[[37]](#footnote-38) In part because BND was designed to not compete directly with the private banking sector, it has no branches or ATMs, and while members of the public can open accounts to deposit their own money, they must be North Dakota residents and go in person to the main office in Bismarck.[[38]](#footnote-39) The bank rarely originates or services loans directly to people or businesses, with the exception of student loans – both to North Dakota residents for use at in-state and out-of-state schools and to out-of-state residents attending a North Dakota school.[[39]](#footnote-40)

BND serves a larger social purpose primarily by loaning its capital to other banks within the state, to enhance their liquidity and make it more feasible for those banks to extend credit to end-borrowers at lower interest rates. BND also uses its funds to buy down the interest rate by one to five percent for some job-creating business and agricultural loans offered by a community bank and a local economic development entity.[[40]](#footnote-41) BND invests surplus capital it cannot lend out primarily in AAA securities backed by the federal government or agencies of the federal government.[[41]](#footnote-42) Pre-pandemic, BND had 16 consecutive years of record profits, returning over $1.2 billion to the state general fund over the lifetime of the bank, providing support for education and other public services, while reducing the tax burden on residents and businesses.[[42]](#footnote-43) In 2021, the bank saw a net income of $144.2 million, a $3 million increase from 2020.[[43]](#footnote-44)

### *The Bank Failures of 2023*

On March 12, 2023, the New York State Department of Financial Services took possession of Signature Bank – an FDIC-insured bank chartered in New York – and named the FDIC as receiver. This action came after accountholders at Silicon Valley Bank (SVB) in California, fearing insolvency on the bank’s part, began to withdraw their deposits. This run on the bank resulted in $42 billion worth of initiated withdrawals, prompting the California Department of Financial Protection and Innovation to close SVB and the FDIC to take control on March 10. Following this takeover, depositors at Signature began withdrawing their funds as well, citing Signature’s high amount of uninsured deposits much like SVB, and an exposure to the cryptocurrency sector.[[44]](#footnote-45) The failures of SVB and Signature are the largest bank failures since the collapse of Washington Mutual in 2008, and represent the second and third largest bank failures in U.S. history, respectively. At the time of Signature’s failure, the City of New York had deposits with the bank.

### *Pending State Legislation*

There is a vision for authorizing municipal banks throughout the State. New York State Assembly Member Pamela Hunter has introduced A.3352 and New York State Senator James Sanders Jr. has introduced S.1754, which would establish the New York Public Banking Act. This legislation would authorize the lending of public credit to public banks and public ownership of stock in public banks, for the public purposes of achieving cost savings, strengthening local economies, supporting community economic development, and addressing infrastructure and housing needs for localities.[[45]](#footnote-46)

### *The Public Bank Debate*

Advocates have been making a renewed push for the expansion of public banking since the Great Recession, including by the introduction of the aforementioned State bills in this and prior legislative sessions. They contend that public banking would permit the City to get a better deal on interest and fees compared with the financial arrangements in place today. Additionally, advocates assert a public bank could leverage public revenue both to lower borrower interest rates and help build banking access for communities that presently have limited access to banking, in a scaled up form of present investments of City funds in BDDs.[[46]](#footnote-47)

Of late, a coalition of advocacy groups has pointed to the failure and federal takeover of Signature Bank as grounds for a “public option” in New York’s banking choices, calling on Senate Majority Leader Andrea Stewart-Cousins and Assembly Speaker Carl Heastie to pass the New York Public Banking Act. [[47]](#footnote-48)

Opponents point out that because New York City is already the financial capital of the world, and it dwarfs North Dakota in financial scale, the North Dakota public bank model may not translate well here. In Fiscal 2023, for example, the City’s adopted budget was nearly 12 times larger than that of the North Dakota state budget. [[48]](#footnote-49) The start-up costs and operational risks of a new public bank would arguably require the initial investment of significant capital and entail considerable operational risks. In 2019, California passed legislation similar in scope to the proposed New York Public Banking Act; the California Bankers Association issued a statement in response arguing that the law would put taxpayer dollars at risk. Specifically, they claimed support from “every single public bank feasibility study conducted to date,” including one by the San Francisco Municipal Bank Feasibility Task Force that “forecasted losses in the millions of dollars for decades.”[[49]](#footnote-50) There are also single vendor risks to keeping the City’s deposits solely in the new public bank: put simply, the bank’s management, liquidity, or solvency problems could then become the City’s to the extent they limit the City’s access to its cash. The City would need to mitigate these risks, perhaps by using additional depository institutions.[[50]](#footnote-51)

1. **Legislation**
2. *Analysis of Int. No. 498*

Section 1 of Int. No. 498 would require the DOF Commissioner to provide quarterly reports on the following information regarding the City’s accounts of deposit, at minimum: the name and/or purpose for each account, the account type and/or classification for each account, the average daily balance for each account, the interest rate or earning allowance for each account, the interest earned for each account and the costs and fees reported both net and gross of any earnings allowances for each account. All such information must be disaggregated by account and re-aggregated by bank or trust company.

Section 2 of Int. No. 498 would provide that the local law takes effect immediately.

1. *Analysis of Int. No. 499-A*

Section 1 of Int. No. 499-A would define various terms and require the OMB Director to a provide quarterly reports on the City’s use of non-depository financial services provided to the City by financial institutions, including payroll, lockbox, advisory, management, bond underwriting services, but excluding depository services at financial institutions designated by the City Banking Commission. Such report would be required to include end of quarter balances, quarterly fees, and quarterly returns on any money market account holding city funds; for each city bond and city note, whether each bond or note issue was competitively bid or negotiated and its issuance costs, which include, but are not limited to, underwriting costs, underwriters’ discount, bond or note counsel fees, bond or note rating fees, or fees for letters of credit or other credit enhancements, and any other issuance cost typically included in bond or note official statements, aggregated by financial institution, by service type, and by bond or note series; the amount and cost of any credit default swap payment, aggregated by swap and by counterparty; and any other non-depository city financial services cost, including any costs for managing money in non-pension city investment pools, aggregated by financial institution and disaggregated by expense.

Section 2 of Int. No. 499-A would provide that the local law takes effect immediately.

1. *Analysis of Int. No. 999*

Int. No. 999 would establish a task force to study the potential for a City-sponsored public bank and issue a report, including a recommended draft governance plan and charter for such a bank in keeping with proposed requirements under State Senate Bill S.1754 for the year 2023. The bill fixes the size of the task force at nine members, three each appointed by the Mayor, the Comptroller, and the Speaker of the Council, drawn from public officials, labor organizations, community banking professionals, small business organizations, and community development organizations. The chair of the task force shall come from among the Speaker’s appointees, and all appointments must maximize representation from historically redlined communities and other groups to be served by the proposed bank. The task force must meet at least once per quarter and submit their report no later than one year from their first meeting, publicly posted on the Departments of Finance and of Consumer and Worker Protection websites.

1. *Analysis of Res No. 203-A*

This resolution would call upon the State Legislature to pass, and the Governor to sign, A.3352/S.1754, which would establish the New York Public Banking Act.

Int. No. 498

By Council Members Powers, De La Rosa, Restler, Abreu, Yeger, Hanif, Brewer, Cabán, Nurse, Avilés, Won, Rivera, Gutiérrez, Krishnan, Louis, Marte, Schulman, Bottcher, Ossé, Sanchez, Velázquez, Brannan, Barron, Hudson, Ayala, Farías, Riley, Joseph, Narcisse, Brooks-Powers, Williams, Ung, Menin, Stevens and Richardson Jordan (in conjunction with the Brooklyn Borough President) (by request of the Manhattan Borough President)

..Title

A Local Law to amend the New York city charter, in relation to reporting on moneys on deposit

..Body

Be it enacted by the Council as follows:

Section 1. Subdivision 1 of section 1523 of the New York city charter, as amended by a vote of the electors on November 7, 1989, is amended to read as follows:

1. The commissioner shall deposit all moneys which shall come into the commissioner's hands on account of the city on the day of receipt thereof, or on the business day next succeeding, in such banks and trust companies as shall have been designated as deposit banks, but no amount shall be on deposit at any one time in any one bank or trust company exceeding one-half of the amount of the capital and net surplus of such bank or trust company. The moneys so deposited shall be placed to the account of the commissioner who shall keep a record in which shall be entered the commissioner's accounts of deposits in, and moneys drawn from, the banks and trust companies in which the deposits shall be made. Each such bank and trust company shall transmit to the comptroller a weekly statement of the moneys which shall be received and paid by it on account of the commissioner. The commissioner shall submit to the speaker of the council, and post on the department’s website, a quarterly report on or before the second Monday of March, June, September and December in each year. Each quarterly report shall include, but need not be limited to, the following information regarding such accounts of deposit for the immediately preceding quarter: the name and/or purpose for each account, the account type and/or classification for each account, the average daily balance for each account, the interest rate or earning allowance for each account, the interest earned for each account and the costs and fees reported both net and gross of any earnings allowances for each account. Such information shall also be re-aggregated by bank or trust company.

§ 2. This local law takes effect immediately.

Session 12

AV

LS 1667.7827

5/2/2022

Session 11

NB

LS #8156

Int. 2099-2020

Int. No. 499-A

By Council Members Powers, Restler, De La Rosa, Abreu, Hanif, Brewer, Cabán, Nurse, Avilés, Won, Rivera, Gutiérrez, Krishnan, Louis, Marte, Schulman, Bottcher, Ossé, Sanchez, Velázquez, Brannan, Barron, Hudson, Ayala, Farías, Riley, Joseph, Narcisse, Brooks-Powers, Williams, Ung, Menin, Stevens and Richardson Jordan (in conjunction with the Brooklyn Borough President) (at the request of the Manhattan Borough President)

..Title

A Local Law to amend the administrative code of the city of New York, in relation to the reporting on non-depository city financial services

..Body

Be it enacted by the Council as follows:

Section 1. Subchapter 1 of chapter 1 of title three of the administrative code of the city of New York is amended to add new section 3-119.6 to read as follows:

§ 3-119.6 Quarterly Reports on Non-Depository City Financial Services. a. Definitions. For purposes of this section, the following terms have the following meanings:

City bond. The term “city bond” means the city’s general obligation bonds, the general obligation, tax-lien-asset-backed, appropriation-backed, revenue-backed, and legal-settlement-backed bonds of the city, its component units, and state instrumentalities whose accounts are subject to the supervision and audit of the city comptroller.

City note. The term “city note” means the city’s short term debts in the form of tax anticipation notes, bond anticipation notes, and revenue anticipation notes as authorized by section 266 of the charter.

Component unit. The term “component unit” means a financial reporting entity that is a legally separate organization from the city but for which the city is financially accountable.

Financial institution. The term “financial institution” means a bank, savings and loan association, thrift, credit union, investment company, mortgage banker, mortgage broker, trust company, savings bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, bank holding company, finance company or financial services holding company.

Non-depository city financial services. The term “non-depository city financial services” means all financial services provided to the city by financial institutions, including payroll, lockbox, advisory, management, bond underwriting services, but excluding depository services at financial institutions designated by the city banking commission.

b. Reports Required. Beginning no later than January 31, 2024, and no later than the last day of the month following each calendar quarter thereafter, the director of management and budget shall post on the office of management and budget’s website and submit to the speaker of the council a report regarding use of non-depository city financial services provided by financial institutions that includes, at a minimum, the following information for the immediately-preceding quarter:

1. End of quarter balances, quarterly fees, and quarterly returns on any money market account holding city funds;

2. For each city bond and city note, whether each bond or note issue was competitively bid or negotiated and its issuance costs, which include, but are not limited to, underwriting costs, underwriters’ discount, bond or note counsel fees, bond or note rating fees, or fees for letters of credit or other credit enhancements, and any other issuance cost typically included in bond or note official statements, aggregated by financial institution, by service type, and by bond or note series;

3. The amount and cost of any credit default swap payment, aggregated by swap and by counterparty; and

4. Any other non-depository city financial services cost, including any costs for managing money in non-pension city investment pools, aggregated by financial institution and disaggregated by expense.

§ 2.  This local law takes effect immediately.

Session 12

AV

LS 3708/7828

5/2/2022

Session 11

NB

LS # 13239

Int. 2100-2020

Int. No. 999

By Council Members Powers, De La Rosa, Restler, Abreu, Richardson Jordan, Farías, Marte, Hudson, Hanif, and Ossé

..Title

A Local Law in relation to the establishment of a task force to study options and make recommendations for a plan to implement a municipal public bank

..Body

Be it enacted by the Council as follows:

Section 1. Definitions. For purposes of this local law, the following terms have the following meanings:

Agency. The term “agency” means a city, county, borough, or other office, department, division, bureau, board or commission, or a corporation, institution or agency of government, the expenses of which are paid in whole or in part from the city treasury, unless otherwise specified.

City. The term “city” means the city of New York.

Community banking experience. The term “community banking experience” means current or past employment experience as an officer, director, executive, or an equivalent senior leadership role at a community development financial institution certified by the U.S. Department of the Treasury Community Development Financial Institutions Fund.

Independent. The term “independent” means that at the time of their appointment to the task force, a task force member does not hold public office and has not held public office for five years or more prior to such time of appointment.

Task force. The term “task force” means the public bank implementation plan task force established by this local law.

§ 2. Task force established. There is hereby established a task force to be known as the public bank implementation plan task force.

§ 3. Duties. The task force shall (i) study the potential for a public bank sponsored by the city under the terms of the proposed Article 3-C of the Banking Law as contemplated by New York State Senate Bill 1754 for the year 2023, as amended (the “Article”), (ii) recommend a draft plan to satisfy the governance and charter requirements for a public bank as set forth in the Article, and (iii) issue a report that addresses in detail all of the items set forth in paragraph 6 hereof.

§ 4. Membership. a. The task force shall be composed of the following members:

1. Three members appointed by the mayor, one of whom shall be the commissioner of finance or such commissioner’s designee, one of whom shall be the commissioner of consumer and worker protection or such commissioner’s designee, and one of whom shall be a representative of a labor organization.

2. Three members appointed by the comptroller, at least two of whom shall be independent, and one of whom shall have community banking experience; and

3. Three members appointed by the speaker of the council, at least two of whom shall be independent, and one of whom shall be a representative of an organization or association that exclusively or predominantly represents small businesses, as defined in article 4-b of the economic development law, and one of whom shall be a member of a community-based organization whose principal purpose is community development, economic development, consumer protection, or a combination thereof.

b. The speaker of the council shall designate the chair of the task force from among the speaker’s appointees.

c. The mayor may invite officers and representatives of relevant federal, state and local agencies and authorities to participate in the work of the task force.

d. When naming their designees or members, the commissioners, mayor, comptroller, and speaker shall maximize board diversity to include representatives of historically-redlined communities and other groups to be served by the bank’s underwriting and financial policies.

e. All appointments required by this section shall be made no later than 90 days after the effective date of this local law.

f. Each member of the task force shall serve at the pleasure of the officer who appointed the member. In the event of a vacancy on the task force, a successor shall be appointed in the same manner as the original appointment for the remainder of the unexpired term. All members of the task force shall serve without compensation.

§ 5. Meetings. a. The chair shall convene the first meeting of the task force no later than 30 days after the last member has been appointed, except that where not all members of the task force have been appointed within the time specified in section four, the chair shall convene the first meeting of the task force within 10 days of the appointment of a quorum.

b. The task force may invite experts and stakeholders to attend its meetings and to provide testimony and information relevant to its duties.

c. The task force shall meet no less than once each quarter to carry out the duties described in section three.

d. The meeting requirement of subdivision c shall be suspended when the task force submits its report as required by section six.

§ 6. Report. a. No later than one year from its first meeting, the task force shall submit a report to the mayor, the comptroller, and the speaker of the council setting forth its recommendations for the composition of a public bank in the city that satisfies the requirements contained in the Article, which recommendations shall address in detail but not be limited to the following:

1. The purpose of the proposed public bank that is consistent with the purposes required under the Article;

2. How to achieve a minimum initial capitalization that is no less than ten percent of the public bank’s projected lending total for the first year of operation after receipt of its charter;

3. The establishment of adequate reserves and liquidity to cover the public bank’s obligations related to deposit withdrawals and defaulted loans;

4. The qualifications of the proposed chief executive officer and management team;

5. An organizational chart;

6. Policies and procedures prohibiting any elected official or affiliates of those officials from receiving a loan or other financial benefit from the public bank;

7. Procedures for obtaining fidelity insurance;

8. Establishing sufficient internal audits and controls;

9. A pro forma financial statement projecting assets, liabilities, income and expenses for no less that a three year period;

10. Ensuring there will be no material negative impact of the public bank on the city’s financial condition;

11. A plan to comply with the Community Reinvestment Act and fair lending requirements, pursuant to section two hundred ninety six-a of the Executive Law;

12. The corporate and governance structure of the public bank, and a certificate of incorporation, if applicable;

13. The contents of a narrative business plan describing the banking services to be provided;

14. Whether the public bank will insure or collateralize deposits from the city or any other governmental entity;

15. The manner in which the public bank will raise capital, including but not limited to (i) the receipt and leverage of public deposits, (ii) sponsor equity contributions, (iii) passive member or shareholder equity contributions, ((v) sale of corporate debt to the city, and (v)sale of corporate debt to third parties,

16. An assessment of market opportunity and risk; and

17. The provision of any other documents or information that the New York State Department of Financial Services may require.

 b. Notwithstanding the foregoing, the taskforce shall not be required to address an item set forth in subparagraph a above within one year of its first meeting if it identifies in writing the reason that item could not be completed and how much extra time it would need to complete that item.

c. The commissioners of finance and of consumer and worker protection shall publish the task force’s report electronically on their respective department websites no later than 10 days after its submission to the mayor and the speaker of the council.

§ 7. Agency support. Each agency affected by this local law shall provide appropriate staff and resources to support the work of such agency related to the task force.

§ 8. Termination. The task force shall terminate 180 days after the date on which it submits its report, as required by section six.

§ 9. Effective date. This local law takes effect immediately.

MJT

LS #10765

3/28/2023, 5:11pm

Res. No. 203-A

..Title

Resolution calling upon the State Legislature to pass, and the Governor to sign, A.3352/S.1754, which would establish the New York Public Banking Act.

..Body

By Council Members Powers, Abreu, De La Rosa, Restler, Hudson, Cabán, Nurse, Avilés, Menin, Gutiérrez, Bottcher, Won, Riley, Rivera, Krishnan, Louis, Marte, Schulman, Bottcher, Williams, Ossé, Sanchez, Velázquez, Farías, Brannan, Ayala, Barron, Hanif, Joseph, Narcisse, Brewer, Brooks-Powers, Ung, Stevens and Richardson Jordan (in conjunction with the Brooklyn Borough President) (by the request of the Manhattan Borough President)

Whereas, Each year, New York State pays millions of taxpayer dollars to the financial industry in the form of banking fees, bonding fees, interest, commissions and other payments, simply for the privilege of utilizing their banking services; and

Whereas, Private banks use municipal and state deposits to earn money for themselves and their shareholders by speculating in the market with these deposits; and

Whereas, Since 1999, with the repeal of the federal Banking Act of 1933, commonly referred to as the Glass-Steagall Act, which required the separation of commercial and investment banking activities, municipal and state deposits held in for-profit banks are now permitted to be co-mingled with speculative commercial investment; and

Whereas, The Great Recession of 2008 resulted in losses for both individuals and governments, while for-profit banks still made money in the form of commissions, fees, interest and other payments; and

Whereas, The COVID-19 pandemic exposed how private banks could not provide services to unbanked and under-banked communities or respond to the needs of small businesses and Minority & Women Business Enterprises, particularly when it came to securing PPP loans to non-clients or refinancing student loan debts.

Whereas, New York State has a fiduciary responsibility to its taxpayers to ensure their tax dollars are used in the most efficient manner possible; and

Whereas, New York State Assembly Member Pamela Hunter has introduced A.3352 and New York State Senator James Sanders Jr. has introduced S.1754, which would establish the New York Public Banking Act to authorize the lending of public credit to public banks and public ownership of stock in public banks, for the public purposes of achieving cost savings, strengthening local economies, supporting community economic development, and addressing infrastructure and housing needs for localities; and

Whereas, According to the legislation’s memorandum in support, the bills would create a safe and appropriate regulatory framework for cities and counties seeking to establish public banks and additionally would allow the State Department of Financial Services (“DFS”) to issue special-purpose public bank charters; and

Whereas, Under current law, localities seeking to establish public banks must apply for a commercial bank charter which, according to the New Economy Project, forces local governments to retrofit their public bank business models into a regulatory system that was designed for private, for-profit enterprises; and

Whereas, With special-purpose charters issued by DFS, municipalities could create democratically-controlled financial institutions that meet the needs of New York’s communities, including achieving cost savings, strengthening local economies, supporting community economic development, and addressing local infrastructure and housing needs; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature to pass, and the Governor to sign, A.3352/S.1754, which would establish the New York Public Banking Act

WJH/MJT

4/5/23

LS 7831

NB

LS 13460, 13461

4/7/2021

Res 1600-2021

1. *See, e.g.*, New York City Comptroller, Quarterly Report on Cash Receipts, *available at*: [Office of the New York City Comptroller Brad Lander](https://comptroller.nyc.gov/reports/new-york-city-quarterly-cash-report/). Pursuant to the Financial Accounting Standards Board (FASB) Accounting Standards Codification, “cash” includes not only currency on hand but demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits, and “cash equivalents” are short-term, highly liquid investments that are readily convertible to known amounts of cash and are within three months of maturity, such that that they present insignificant risk of changes in value because of changes in interest rates. *See, e.g.*, Deloitte, A Roadmap to the Preparation of the Statement of Cash Flows, May 2022 *at* 4.1, *available at*: <https://dart.deloitte.com/USDART/object/cf642af8-0da6-11e7-902e-1ff44cd8867d/resource/2_345874.pdf> [↑](#footnote-ref-2)
2. *See, e.g.*, Office of Management and Budget, Adopted Capital Commitment Plan, Fiscal Year 2023, Volume 1, *available at*: https://www.nyc.gov/assets/omb/downloads/pdf/ccp-09-22a.pdf. [↑](#footnote-ref-3)
3. Charter § 1504(3). The Department of Finance “shall have the power and duty to provide for the reception and safekeeping of all moneys paid into the treasury of the city and for the payment of all moneys on warrants drawn by the comptroller and countersigned by the commissioner.” According to DOF’s website, “[t]he Treasury Division administers the City's network of bank accounts and manages the City’s cash flow. Treasury employees ensure that City funds are deposited only in approved banks with appropriate collateral and manage the City’s banking relationships. In addition, the Treasury Division holds all cash bail and court-ordered funds in trust until the funds are directed by the courts to be released.” <https://www1.nyc.gov/site/finance/about/divisions.page>. [↑](#footnote-ref-4)
4. NYC Office of the Comptroller. New York City Quarterly Cash Report. March 1, 2021, *available at*:

<https://comptroller.nyc.gov/wp-content/uploads/documents/QCR_2Q21.pdf>. [↑](#footnote-ref-5)
5. NYC Office of the Comptroller. New York City Quarterly Cash Report. September 9, 2019, *available at*:

<https://comptroller.nyc.gov/wp-content/uploads/documents/QCR-4Q19-Final.pdf>. [↑](#footnote-ref-6)
6. *Id.* [↑](#footnote-ref-7)
7. NYC Office of the Comptroller. New York City Quarterly Cash Report. March 2, 2023, *available at*:

<https://comptroller.nyc.gov/reports/new-york-city-quarterly-cash-report/> [↑](#footnote-ref-8)
8. General Municipal Law §10(2). Banks do not include State or federally chartered savings banks. The term “bank,” as used in sections 10 and 11 of the General Municipal Law, is defined to mean a “bank as defined by the banking law or a national banking association located and authorized to do business in New York.” [↑](#footnote-ref-9)
9. *See* Charter § 1524. [↑](#footnote-ref-10)
10. Charter § 1504(3) (“[Department of Finance] “shall have the power and duty to provide for the reception and safekeeping of all moneys paid into the treasury of the city and for the payment of all moneys on warrants drawn by the comptroller and countersigned by the commissioner.”) [↑](#footnote-ref-11)
11. *See* Charter § 1524(1), N.Y.C. Ad. Code § 11-224.1(e), Charter § 1519-a(7)(b). N.Y.C. Ad. Code § 11-224.1(e) requires the Banking Commission to provide the Council annual recommendations for interest rates to charge on nonpayment of real property taxes; Charter § 1519-a(7)(b) requires the Banking Commission to provide the Council with its recommendation for a discount percentage for early payment of water and sewer rents and real property taxes. [↑](#footnote-ref-12)
12. Banking Law § 96-d, General Municipal Law § 10 (municipalities may deposit funds into branches of State or federally regulated savings banks and savings and loan institutions that are established in banking development districts pursuant to the provisions of §96-d and the Banking Board regulations). 22 RCNY § 1-02 authorizes the Banking Commission to designate such branches as depositories for City funds, provided the branch (i) was opened after establishment of the banking development district, or (ii) is a branch of the applicant to the New York State Banking Department for establishment of the district and was opened on or after January 1, 1997. [↑](#footnote-ref-13)
13. Charter §§ 1524(2)(a)(1)-(2). [↑](#footnote-ref-14)
14. 22 RCNY §§ 1-03(a)-(b). [↑](#footnote-ref-15)
15. A recent rule amendment clarifies that the Banking Commission may accept a below market rate interest rate on its deposits at banking development district branches, up to $20 million per branch, and thereby subsidize such branches. *See* Department of Finance, Notice of Adoption of Rule Amendment, Statement of Basis and Purpose, City Record, Nov. 10, 2020, *available at*: <https://a856-cityrecord.nyc.gov/RequestDetail/20201030009>. [↑](#footnote-ref-16)
16. 22 RCNY § 1-02 (a “lower income neighborhood or area” is defined as a census tract located in New York City that is eligible for Federal Community Development Block Grants as administered by the U.S. Department of Housing and Urban Development (“HUD”).) The program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. HUD determines the amount of each entitlement grant by a statutory dual formula, which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas. [↑](#footnote-ref-17)
17. 22 RCNY § 1-03(b). [↑](#footnote-ref-18)
18. Open Meetings Law § 104. [↑](#footnote-ref-19)
19. Charter § 1524(1). [↑](#footnote-ref-20)
20. New York City Comptroller, Comprehensive Annual Financial Statement Fiscal 2022, p. 99, *available at*: <https://comptroller.nyc.gov/wp-content/uploads/2022/11/5-Notes-to-Financial-Statements-and-Required-Supplementary-Information_FY2022.pdf>. [↑](#footnote-ref-21)
21. General Municipal Law § 11. [↑](#footnote-ref-22)
22. Department of Finance, Procurement Frequently Asked Questions, *available at*: <https://www1.nyc.gov/site/finance/about/procurement-frequently-asked-questions.page> (*last accessed* Apr. 3, 2023). [↑](#footnote-ref-23)
23. “83622N0009-Central Treasury Banking” City Record Online, Publication Date June 3 – 10, 2022, *available at*: <https://a856-cityrecord.nyc.gov/RequestDetail/20220526125>. [↑](#footnote-ref-24)
24. “Misc. Banking Services Including DOE and Other Agencies” City Record Online, Publication Date May 9 – 13, 2022, *available at*: <https://a856-cityrecord.nyc.gov/RequestDetail/20220502114>. [↑](#footnote-ref-25)
25. *See*, *generally*, Charter §§ 93, 328, and 375. [↑](#footnote-ref-26)
26. “fiscal agent, tender agent and escrow agent services”, City Record Online, Publication Date Jul. 8, 2022, *available at* <https://a856-cityrecord.nyc.gov/RequestDetail/20220630128>. [↑](#footnote-ref-27)
27. *See* Marc Joffee, Doubly Bound: The Costs of Issuing Municipal Bonds, The Hass Institute, 2016, *available at*: <https://belonging.berkeley.edu/sites/default/files/haasinstituterefundamerica_doublybound_cost_of_issuingbonds_publish.pdf> [↑](#footnote-ref-28)
28. Charter § 93(j). [↑](#footnote-ref-29)
29. General Municipal Law § 103. *See also* Procurement Policy Board Rules, *available at*:

<https://www1.nyc.gov/assets/mocs/downloads/pdf/ppb/UPDATE%20PPB%20RULES_CLEAN_Effective%20February%202020.pdf> *last accessed* Apr. 3, 2023. [↑](#footnote-ref-30)
30. *See*, *e.g.*, NYCERS 2Q22 Quarterly Report, *available at*: https://comptroller.nyc.gov/wp-content/uploads/documents/09.19.2022-NYCERS-Retirement-System-Investment-Meeting-Agenda-Package-Public.pdf. [↑](#footnote-ref-31)
31. *See* General Municipal Law §11. State restrictions on City investments also include the Financial Emergency Act requirement that the city maintain a balanced budget and spend all resources generated in a fiscal year in that same fiscal year, which prevents the city for using its surplus cash for most multi-year investments. *See* Financial Emergency Act (FEA) of 1975 §8(a). [↑](#footnote-ref-32)
32. Nathan Tankus, “Public Banks: An American Tradition,” JSTOR Daily, Dec. 15, 2015, *available at*: <https://daily.jstor.org/public-banks-an-american-tradition/> (*last accessed* Apr. 12, 2021). [↑](#footnote-ref-33)
33. *Id*. [↑](#footnote-ref-34)
34. N.D. Cent. Code § 6-09-01. *See also* Stacey Mitchell, Public Banks: Bank of North Dakota, Institute for Local Self-Reliance, July 2, 2015, *available at*: <https://ilsr.org/rule/bank-of-north-dakota-2/>. [↑](#footnote-ref-35)
35. History of BND, The Bank of North Dakota, available at <https://bnd.nd.gov/history-of-bnd/>. [↑](#footnote-ref-36)
36. *Id*. [↑](#footnote-ref-37)
37. *Id*. [↑](#footnote-ref-38)
38. Oscar Perry Abello, What a Public Bank Can Do for Real People, Yes Magazine, Feb. 19, 2020, *last accessed* Apr. 3, 2023, *available at*:

<https://www.yesmagazine.org/issue/world-we-want/2020/02/19/public-bank-north-dakota>. [↑](#footnote-ref-39)
39. *Id*. [↑](#footnote-ref-40)
40. Mitchell, *supra* note 35. [↑](#footnote-ref-41)
41. History of BND, *supra* note 36. Notably, the City Comptroller is also permitted to invest City funds in these types of investments under the General Municipal Law. [↑](#footnote-ref-42)
42. Bank of North Dakota, Annual Report 2020, *available at*: <https://bnd.nd.gov/pdf/2020_bnd_annual_report.pdf>. [↑](#footnote-ref-43)
43. Bank of North Dakota, Annual Report 2021, *available at*: <https://bnd.nd.gov/pdf/2021_bnd_annual_report.pdf>. [↑](#footnote-ref-44)
44. Shinn, Lora, “What Happened to Signature Bank?” Investopedia, Mar. 24, 2023 *last accessed* Apr. 4, 2023 *available* *at* <https://www.investopedia.com/what-happened-to-signature-bank-7370710#toc-why-did-signature-bank-fail>*.* Concurrent with the SVB collapse, the owners of Silvergate Bank announced it would close, returning deposits and liquidating its assets. Silvergate was heavily involved in the cryptocurrency sector, as was SVB. *See* Clark, Mitchell, “Silvergate has collapsed” The Verge, Mar. 8, 2023 *last accessed* Apr. 4, 2023 *available* *at* <https://www.theverge.com/2023/3/8/23631320/silvergate-wind-down-liquidiation-announcement> [↑](#footnote-ref-45)
45. *See* Memorandum in Support of A.3352, 2023-2024 Reg. Sess. (NY 2023), *available at*: [NYAssembly.gov](https://nyassembly.gov/leg/?default_fld=&leg_video=&bn=A03352&term=&Summary=Y&Memo=Y&Text=Y). In the 2023-2024 legislative session, Assembly Member Phil Steck has introduced A.4448, which would create the Empire State Public Bank, a statewide bank for New York modeled on the Bank of North Dakota. As of this report, no companion legislation exists in the Senate. [↑](#footnote-ref-46)
46. See, e.g., Memorandum in Support, *supra* note 46; Memorandum in Support, *supra* note 47; Public Bank NYC coalition, Frequently Asked Questions, *available at*: <https://www.publicbanknyc.org/faq>; Next System Project Podcast, The Campaign for Public Banks, From Coast to Coast, Nov. 2, 2018, *available at*: <https://thenextsystem.org/learn/stories/campaign-public-banks-coast-coast>. [↑](#footnote-ref-47)
47. New Economy Project, “Letter to Leadership re: Signature Bank”, Mar. 16, 2023 *last accessed* Apr. 3, 2023, *available at* [NewEconomyNYC.org](https://www.neweconomynyc.org/wp-content/uploads/2023/03/3.16.23-Letter-to-Leadership-re-Signature-public-banking.pdf). [↑](#footnote-ref-48)
48. *Compare* N.Y.C. Fiscal Year 2023 Adopted Budget Financial Plan, *available at*: [NYC.gov](https://www.nyc.gov/assets/omb/downloads/pdf/fp6-22.pdf) *with* North Dakota 2021-2023 Biennium Approved State Budget, *available at*: [ND.gov](https://www.omb.nd.gov/sites/www/files/documents/financial-transparency/state-budgets/appropbook2021-23.pdf) [↑](#footnote-ref-49)
49. California Bankers Association, “Response to Signing of AB 857,” Oct. 2, 2019, *available at:* <https://www.calbankers.com/press-release/california-bankers-association-response-signing-ab-857> [↑](#footnote-ref-50)
50. For vendor and supplier risk management see: McKinsey & Company, “Managing When Vendor and Supplier Risk Becomes Your Own.” July 1, 2013 available at <https://www.mckinsey.com/capabilities/risk-and-resilience/our-insights/managing-when-vendor-and-supplier-risk-becomes-your-own> [↑](#footnote-ref-51)